

WORLD CUSTOMS ORGANIZATION ORGANISATION MONDIALE DES DOUANES

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HARMONIZED SYSTEM REVIEW SUB-COMMITTEE

NR0390E1

27th Session

O. fr.

Brussels, 7 February 2003.

COMPREHENSIVE REVIEW OF THE EXPLANATORY NOTES

POSSIBLE AMENDMENT OF THE EXPLANATORY NOTES TO CHAPTER 87

(Item III.C.8 on Agenda)

Reference documents:

NR0150E1 (RSC/23) NR0165E2, Annex B/2 (RSC/23 - Report) NR0308E1 (RSC/26) NR0332E3, Annex E/17 (RSC/26 – Report) NR0362E1 (RSC/27) NC0655E2, Annex E, par 79 (HSC/30 – Report)

I. <u>BACKGROUND</u>

- 1. At its 26th Session, the Sub-Committee agreed that the method of work to be employed in the examination of the Comprehensive Review of the Explanatory Notes to Chapters 84, 85, 87 and 90, should include, *inter alia*, the following approaches:
 - Administrations could send their questions about a given proposal directly to the administration which had made the proposal. In this connection, the Director also urged Members to make use of the WCO Web site Discussion Forum.
 - Administrations which had prepared proposals should, on request, provide information about the goods concerned. At the same time, administrations which made such requests for information were invited to conduct their own research into the matter.
- 2. After a request from the Secretariat for additional information, on 28 January 2003, the Secretariat received the following Note from the Canadian Administration.

Note: Shaded parts will be removed when documents are placed on the WCO documentation database available to the public.

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II. NOTE FROM THE CANADIAN ADMINISTRATION

- 3. "The following are the comments of the Canadian Administration based upon the observations of the HS Review Sub-Committee noted in Annex E/17 to Doc. NR0332E2 concerning possible amendments to the Explanatory Notes for Chapter 87.
 - Heading 87.01 (page 1730, fourth paragraph, first line)

In response to the intervention form the United States, we suggest the line be amended to:

"The tractors of this heading may be fitted with coachwork (a body) providing varying amenities and levels of comfort."

• Heading 87.01 (page 1730, fourth paragraph, fourth line)

The Canadian Administration believes that the term "mechanical horses" is obsolete and questions whether there is sufficient trade in goods employing this terminology to warrant its inclusion in the Explanatory Notes.

• Heading 87.02 (paragraph 1732, first paragraph)

Canada's proposal is not so much an attempt to define "persons" as it is an effort to clarify that the term is not limited by any criteria and thus we feel our proposal should be adopted.

Heading 87.04 (page 1734, first paragraph)

It is the opinion of the Canadian Administration that the term "trucks" has replaced the word "lorry" in many parts of the English-speaking world and that adding it wherever appropriate in the Explanatory Notes to headings 87.04 and 87.05 would only serve to clarify the references.

Heading 87.06 (page 1737, first paragraph)

The insertion of the term "(unibody construction)" would serve merely to clarify the text in the North American context and would not, in our view, cause any confusion.

Heading 87.10 (page 1742, second paragraph)

Our research indicates that the term "heavy" and "medium" in this context have been replaced by "main battle tanks" and thus we believe that our proposal to substitute "(main battle or light)" is reflective of terminology in current use in the industry.

• Heading 87.10 (page 1742, second paragraph, third line)

The proposal of the Canadian Administration would be consistent with modern tank design and would not in any manner restrict the scope of the legal text.

• Heading 87.10 (page 1742, fourth paragraph, fourth line)

Research done by the Canadian Administration indicates that "half-track" vehicles have become essentially obsolete and that removing the reference should clarify the scope of the item without restricting it.

Heading 87.14 (page 1745, second paragraph, Item (11))

In our view, the terms "saddle-covers" and "seat-covers" are synonymous.

Heading 87.16 (page 1747, Item (A)(I))

In North America, "travel trailers" is the term used to describe trailers of the type used for camping or housing even though in the latter context, the trailers are sometimes semipermanently fixed in a given location. Adding the term will serve to clarify the scope of the item in the North American context.

Heading 87.16 (page 1748, Item (A)(4)(I))

The Canadian Administration can accept the retention of the word "triqueballes" in the French version.

Heading 87.16 (page 1748, Item (B)(1), first line)

Canada would prefer to replace "chariots" with "chariots à usage multiples" in the French version but could accept the status quo if other French speaking administrations believe that version to be preferable.

Heading 87.16 (page 1749, Item (C)(7))

In the view of the Canadian Administration, the word "sledge" is rarely used. The word "sleigh" is much more common and the reference to "multi purpose" is merely to clarify the scope of the item.

4. In Doc. NR0308E1, the Secretariat suggested placing in square brackets Canada's proposals to insert "(transmissions)" after "gear boxes" in the Explanatory Notes to headings 87.08 and 87.09. We believe that this addition will serve to clarify the scope of the term in the North American context. The Secretariat is concerned that there might be some expansion of the scope of the term. We, however, believe that given the very specific wording of items (D) and (C) in the Note to heading 87.08 which clearly outline the scope and intent of these references, that our proposal would not alter the scope in any way." 5.

III. CONCLUSION

6. The Sub-Committee is invited to take account of the additional information provided by the Canadian Administration when it examines this agenda item.

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